

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION  
NASA SHARED SERVICES CENTER

LIMITED SOURCE JUSTIFICATION

I recommend that NASA, NASA Shared Services Center negotiate with SAP Public Services, Inc. (SAP), only for the continued maintenance of the Agency's SAP software licenses. This action will be performed against GSA Contract GS-35F-0406V.

The total estimated cost of this effort is \$1,872,835.42 and the period of performance is 12 months.

This procurement is for the renewal of annual software maintenance services for the Agency's SAP software license which currently supports a user base of 10,000 professional users and 291 developer users. The maintenance will consist of the following:

- The delivery of Releases, Versions, Correction Levels and Software correction packages, support via telephone, remote support/update, and SAP's On-line Software Services.
- Access to SAP's On-line Software Service (OSS) database.
- SAP NetWeaver BI Accelerator software and maintenance.
- SAP Productivity Pak software and maintenance.

This recommendation is made pursuant to FAR 8.405-6(b)(2), which implements the authority of the Multiple Award Schedule (MAS) Program cited in FAR 8.401 pursuant to Title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251) and Title 40 U.S.C 501, Services for Executive Agencies, for the acquisition of supplies or services when the work is a logical follow-on to an original Federal Supply Schedule order, not previously issued under sole source or limited source procedures, that was placed in accordance with applicable Federal Supply Schedule ordering procedures.

Pursuant to FAR 8.405-6(a)(1)(i)(B), "Only one source is capable of providing the supplies or services required at the level of quality required because the supplies or services are unique or highly specialized." Competition is impractical for the following reasons:

1. Only one source is capable of responding due to the unique specialized nature of the work.
2. Market research conducted with SAP Public Services Inc. confirms that no other companies are authorized by SAP to provide software maintenance
3. No other supplies or services will satisfy the agency's requirement and no other provider can supply a similar service.
4. No other vendor has access to detailed and timely knowledge of SAP's existing and emerging product set, especially with regard to ongoing development and product planning which directly benefits NASA's ongoing activities to improve financial management throughout the Agency
5. SAP is solely positioned to support NASA's implementation of its new product capabilities/enhancements due to their detailed knowledge of NASA's existing configuration. This knowledge has been obtained via the existing contract vehicle (H-32946D) which has been in existence since 2000.

6. No other vendor has access to detailed and timely knowledge of SAP's existing and emerging product set, especially with regard to ongoing development and product planning which directly benefits NASA's ongoing activities to improve financial management throughout the Agency.

Pursuant to FAR 8.404, "BPAs and orders placed against a MAS, using the procedures in this subpart, are considered to be issued using full and open competition (see 6.102(d)(3)). Therefore, when establishing a BPA (as authorized by 13.303-2(c)(3)), or placing orders under Federal Supply Schedule contracts using the procedures of 8.405, ordering activities shall not seek competition outside of the Federal Supply Schedules or synopses the requirement."

Pursuant to FAR 8.404 (d) *Pricing*. Services offered on the schedule are priced either at hourly rates, or at a fixed price for performance of a specific task (*e.g.*, maintenance). GSA has already determined the prices of supplies and fixed-price services, and rates for services offered at hourly rates, under schedule contracts to be fair and reasonable. Therefore, ordering activities are not required to make a separate determination of fair and reasonable pricing, except for a price evaluation as required by 8.405-2(d).

Pursuant to FAR 8.405-6(a)(2)(i), "Within 14 days after placing an order or establishing a BPA exceeding the simplified acquisition threshold that is supported by a limited-sources justification permitted under any of the circumstances under paragraph (a)(1) of this section, the ordering activity shall—

(A) Publish a notice in accordance with 5.301; and

(B) Post the justification—

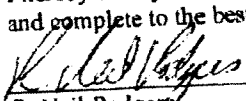
(1) At the GPE [www.fedbizopps.gov](http://www.fedbizopps.gov);

(2) On the Web site of the ordering activity agency, which may provide access to the justification by linking to the GPE; and

(3) For a minimum of 30 days."

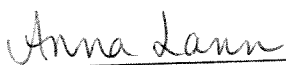
Due to the specialized nature of this requirement, there are no known actions which the agency may take to remove or overcome barriers to competition before any subsequent acquisition for the services required. Therefore, purchase of the services from SAP, is the only practical approach.

I hereby certify the facts in this justification and any supporting data used for this justification are accurate and complete to the best of my knowledge.

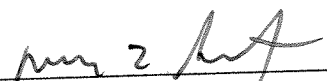
  
R. Neil Rodgers  
Deputy Director,  
Office of MSFC CIO

12/7/11  
Date

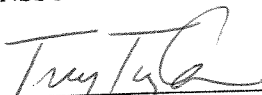
I hereby certify that the above justification is complete and accurate to the best of my knowledge and belief. In addition, I hereby determine that the order represents the best value to the Government consistent with FAR 8.404 (d).

  
Anna Lann  
NSSC Contracting Officer

12/14/11  
Date


  
Michael L. Sweigart  
NSSC Procurement Officer

12/14/11  
Date

  
Troy Taylor  
NSSC Legal Counsel

12/16/11  
Date

Approved/~~Disapproved~~

  
Michael J. Smith  
Center Competition Advocate  
NASA Shared Services Center

12/16/2011  
Date